BRYAN STEIL 1st District, Wisconsin

COMMITTEE ON HOUSE ADMINISTRATION, CHAIRMAN

COMMITTEE ON FINANCIAL SERVICES



Congress of the United States

House of Representatives

Whashington, **DC 20515** October 26, 2023

The Honorable Pete Buttigieg Secretary of Transportation U.S. Department of Transportation 1200 New Jersey Avenue SE Washington, DC 20590

Dear Secretary Buttigieg,

On Sunday, October 29, Milwaukee's streetcar known as "the Hop" will begin offering passenger service on the new "L-Line" through a closed construction site exclusively on Sundays during the winter. According to the Wisconsin Department of Public Works, operating the L-Line in this unusual way is necessary to satisfy a federal grant requirement that mandates streetcar service start on October 31. I write to request that the Department of Transportation (DoT) waive this grant requirement. We have an obligation to the people we serve to reduce government waste. I am calling for your immediate action to save Milwaukee taxpayers thousands of dollars.

As you may know, the Hop is a \$128 million streetcar transportation project largely funded with federal grant dollars through the Federal Transportation Agency (FTA). It opened in November 2018 and operates on a 2.1-mile route in downtown Milwaukee. For 2023, the average daily ridership is 1,408 individuals, a 74.5% decrease since its peak in 2018.

The Hop has long faced substantial concerns about the financial viability of the project, its dependence on federal dollars, and questions about demand for the service. A federal requirement mandating operation into a construction site, which is unlikely to generate significant ridership, further exacerbates these concerns.

Federal requirements that force Milwaukee officials to operate an inefficient streetcar line simply to satisfy federal grant requirements are not in the best interest of taxpayers. Sundays are traditionally low-traffic days in Milwaukee's central business district. Furthermore, winter months see lower daily ridership than the rest of the year. Nonetheless, local officials are preparing to operate the L-Line on winter Sundays even though it is not ready to provide meaningful service to passengers.

The FTA estimates that it costs Milwaukee \$351 per hour of operation. The cost per 15-hour day is \$5,265. It makes little sense to further punish taxpayers by compelling Milwaukee officials to operate a non-viable route. Please consider taking the appropriate steps to waive the service date requirement. I appreciate your attention to this matter and look forward to your response.

Sincerely,

Bryan Steil

Member of Congress

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